AP US History – Primary Source Analysis

Directions: Read the following excerpt from Andrew Carnegie (mark it up if you wish) and then complete the APPARTS chart that is also embedded on the website. You can type in the APPARTS chart and print it out or recreate a handwritten version, whichever you prefer.

JUNE, 1889.

**WEALTH**

BY ANDREW CARNEGIE.

The problem of our age is the proper administration of wealth, so that the ties of brotherhood may still bind together the rich and poor in harmonious relationship. The conditions of human life have not only been changed, but revolutionized…in former days there was little difference between the dwelling, dress, food, and environment of the chief and those of his retainers. The Indians are to-day where civilized man was before. When visiting the Sioux, I was led to the wigwam of the chief. It was just like the others in external appearance, and even within the difference was trifling between it and those of the poorest of his braves. The contrast between the palace of the millionaire and the cottage of the laborer with us today measures the change which has come with civilization.

This change, however, is not to be deplored, but welcomed as highly beneficial. It is essential for the progress of the race, that the houses of some should be homes for all that is highest and best in literature and the arts, and for all the refinements of civilization, rather than that none should be so. Much better this great irregularity than universal squalor. Neither master nor servant was as well situated then as today. A relapse to old conditions would be disastrous to both. But whether the change be for good or ill, it is upon us, beyond our power to alter, and therefore to be accepted and made the best of. It is a waste of time to criticize the inevitable.

It is easy to see how the change has come. One illustration will serve for almost every phase of the cause. In the manufacture of products we have the whole story. It applies to all combinations of human industry, as stimulated and enlarged by the inventions of this scientific age. Formerly articles were manufactured at the domestic hearth or in small shops which formed part of the household. There was, substantially social equality, and even political equality.

But the inevitable result of such a mode of manufacture was crude articles at high prices. Today the world obtains commodities of excellent quality at prices which even the generation preceding this would have deemed incredible. The poor enjoy what the rich could not before afford. What were the luxuries have become the necessaries of life. The laborer has now more comforts than the landlord had a few generations ago. The farmer, too.

The price we pay for this salutary change is, no doubt, great. We assemble thousands of operatives in the factory, in the mine, and in the counting-house, of whom the employer can know little or nothing, and to whom the employer is little better than a myth. Rigid castes are formed, and, as usual, mutual ignorance breeds mutual distrust. Each Caste is without sympathy for the other, and ready to credit anything disparaging in regard to it. Under the law of competition, the employer of thousands is forced into the strictest economies, among which the rates paid to labor figure prominently, and often there is friction between the employer and the employed, between capital and labor, between rich and poor. Human society loses homogeneity.

The price which society pays for the law of competition, like the price it pays for cheap comforts and luxuries, is also great; but the advantage of this law are also greater still, for it is to this law that we owe our wonderful material development, which brings improved conditions. While the law may be sometimes hard for the individual, it is best for the race, because it insures the survival of the fittest in every department. We accept and welcome therefore, as conditions to which we must accommodate ourselves, great inequality of environment, the concentration of business, industrial and commercial, in the hands of a few, and the law of competition between these, as being not only beneficial, but essential for the future progress of the race. We must either go forward or fall behind: to stand still is impossible.

Objections to the foundations upon which society is based are not in order, because the condition of the race is better with these than it has been with any others which have been tried. Civilization took its start from the day that the capable, industrious workman said to his incompetent and lazy fellow, "If thou dost net sow, thou shalt net reap," and thus ended primitive Communism by separating the drones from the bees. One who studies this subject will soon be brought face to face with the conclusion that upon the sacredness of property civilization itself depends--the right of the laborer to his hundred dollars in the savings bank, and equally the legal right of the millionaire to his millions. To these who propose to substitute Communism for this intense Individualism the answer, therefore, is: the race has tried that. All progress from that barbarous day to the present time has resulted from its displacement. Not evil, but good, has come to the race from the accumulation of wealth by those who have the ability and energy that produce it. But even if we admit for a moment that it might be better for the race to discard its present foundation, individualism- this is not evolution, but revolution - it necessitates the changing of human nature itself. It is not practicable in our day or in our age. Individualism, Private Property, the Law of Accumulation of Wealth, and the Law of Competition; these are the highest results of human experience, the soil in which society so far has produced the best fruit. Unequally or unjustly, perhaps, as these laws sometimes operate, and imperfect as they appear to the Idealist, they are, nevertheless, like the highest type of man, the best and most valuable of all that humanity has yet accomplished.

We have a condition of affairs under which the best interests of the race are promoted, but which inevitably gives wealth to the few. Thus far, accepting conditions as they exist, the situation can be surveyed and pronounced good. The question then arises: what is the proper mode of administering wealth after the laws upon which civilization is founded have thrown it into the hands of the few? And it is of this great question that I believe I offer the true solution. It will be understood that *fortunes* arehere spoken of, not moderate sums saved by many years of effort.

There are but three modes in which surplus wealth can be disposed of. It call be left to the families of the decedents; or it can be bequeathed for public purposes; or, finally, it can be spent during their lives by its possessors. Under the first and second modes most of the wealth of the world that has reached the few has hitherto been applied. Let us in turn consider each of these modes. The first is the most injudicious. The question which forces itself upon thoughtful men in all lands is: Why should men leave great fortunes to their children? If this is done from affection, is it not misguided affection? Observation teaches that, generally speaking, it is not well for the children that they should be so burdened. Great sums bequeathed oftener work more for the injury than for the good of the recipients. Wise men will soon conclude that, for the best interests of the members of their families and of the state, such bequests are an improper use of their means.

As to the second mode, that of leaving wealth at death for public uses, it may be said that this is only a means for the disposal of wealth, provided a man is content to wait until he is dead before it becomes of much good in the world. The growing disposition to tax more and more heavily large estates left at death is a cheering indication of the growth of a salutary change in public opinion. The State of Pennsylvania now takes--subject to some exceptions--one-tenth of the property left by its citizens. Of all forms of taxation, this seems the wisest. By taxing estates heavily at death the state marks its condemnation of the selfish millionaire's unworthy life.

This policy would work powerfully to induce the rich man to attend to the administration of wealth during his life, which is the end that society should always have in view, as being that by far most fruitful for the people. There remains, then, only one mode of using great fortunes; in this we have the true antidote for the temporary unequal distribution of wealth, the reconciliation of the rich and the poor; harmony. Under this way we shall have an ideal state, in which the surplus wealth of the few will become, in the best sense, the property of the many, administered for the common good. Even the poorest can be made to see this, and to agree that great sums gathered by some of their fellow citizens and spent for public purposes, from which the masses reap the principal benefit, are more valuable to them than if scattered among them by the state through the course of many years in trifling amounts.

We might take the instance, that of Mr. Tilden's bequest of five millions of dollars for a free library in the city of New York. Mr. Tilden's millions finally became the means of giving to this city a noble public library, where the treasures of the world contained in books will be open to all forever, without money and without price. Considering the good of those who congregate in and around Manhattan Island, would its permanent benefit have been better promoted had these millions been allowed to circulate in small sums through the hands of the masses? Even the most strenuous advocate of Communism must entertain a doubt upon this subject. Most of those who think will probably entertain no doubt whatever.

The highest life is probably to be reached, not by such imitation of the life of Christ, but, while animated by Christ's spirit, by recognizing the changed conditions of this age, and adopting modes of expressing this spirit suitable to the changed conditions under which we live; still laboring for the good of our fellows, which was the essence of his life and teaching, but laboring in a different manner.

This, then, is held to be the duty of the man of wealth: first, to set an example of modest living, shunning display or extravagance; to provide moderately for the legitimate wants of those dependent upon him; and after doing so to consider all surplus revenues which come to him simply as trust funds, which he is called upon to administer in which manner, in his judgment, is best calculated to produce the most beneficial results for the community. The man of wealth thus becoming the mere agent and trustee for his poorer brethren, bringing to their service his superior wisdom and experience, doing for them better than they would or could do for themselves.

The best uses to which surplus wealth can be put have already been indicated. It were better for mankind that the millions of the rich were thrown into the sea than spent as to encourage the slothful, the drunken, the unworthy. Of every thousand dollars spent in so called charity today, it is probable that $950 is unwisely spent; so spent, indeed as to produce the very evils which it proposes to mitigate or cure. In bestowing charity, the main consideration should be to help those who will help themselves; to provide part of the means by which those who desire to improve may do so. Those worthy of assistance, except in rare cases, seldom actually require assistance. The really valuable men of the race never do, except in cases of accident or sudden change.

The rich man is thus almost restricted to following the examples of benefiting the community by placing within its reach the ladders upon which the aspiring can rise--parks, and means of recreation, by which men are helped in body and mind; works of art, certain to give pleasure and improve the public taste, and public institutions of various kinds, schools and libraries, which will improve the general condition of the people and in this manner returning their surplus wealth to the mass of their fellows in the forms best calculated to do them lasting good.

Thus is the problem of Rich and Poor to be solved. The laws of accumulation will be left free and the laws of distribution free. Individualism will continue, but the millionaire will be but a trustee for the poor; entrusted for a season with a great part of the increased wealth of the community, but administering it for the community far better than it could or would have done for itself. Of such as these the public verdict will then be, "The man who dies thus rich dies disgraced."

Such, in my opinion, is the true Gospel concerning Wealth, obedience to which is destined someday to solve the problem of the Rich and the Poor, and to bring ' Peace on earth, among men Good-Will."